

HOUSE BILL 25

Q3

01r0600

HB 483/06 – W&M

(PRE-FILED)

By: **Delegate Smigiel**

Requested: September 17, 2009

Introduced and read first time: January 13, 2010

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Amounts Received for Agricultural**
3 **Preservation**

4 FOR the purpose of providing a certain subtraction modification under the Maryland
5 individual and corporate income tax for certain income received for certain
6 agricultural preservation purposes; defining a certain term; providing for the
7 application of this Act; and generally relating to subtraction modifications
8 under the Maryland individual and corporate income tax.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–207(a) and 10–307(a)
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2009 Supplement)

14 BY adding to
15 Article – Tax – General
16 Section 10–207(y)
17 Annotated Code of Maryland
18 (2004 Replacement Volume and 2009 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Tax – General
21 Section 10–307(g)
22 Annotated Code of Maryland
23 (2004 Replacement Volume and 2009 Supplement)

24 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
25 MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Tax – General

2 10–207.

3 (a) To the extent included in federal adjusted gross income, the amounts
4 under this section are subtracted from the federal adjusted gross income of a resident
5 to determine Maryland adjusted gross income.

6 **(Y) (1) IN THIS SUBSECTION, “STATE AGRICULTURAL PROGRAM”**
7 **INCLUDES THE MARYLAND AGRICULTURAL LAND PRESERVATION**
8 **FOUNDATION, THE RURAL LEGACY PROGRAM, AND PROGRAM OPEN SPACE.**

9 **(2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION**
10 **INCLUDES ANY AMOUNT RECEIVED FROM A STATE AGRICULTURAL PROGRAM**
11 **FOR THE PURPOSE OF PRESERVING AGRICULTURAL LAND OR FROM THE SALE**
12 **OF AN AGRICULTURAL EASEMENT TO A STATE AGRICULTURAL PROGRAM.**

13 10–307.

14 (a) To the extent included in federal taxable income, the amounts under this
15 section are subtracted from the federal taxable income of a corporation to determine
16 Maryland modified income.

17 (g) The subtraction under subsection (a) of this section includes the amounts
18 allowed to be subtracted for an individual under:

19 (1) § 10–207(i) of this title (Profits on sale or exchange of State or local
20 bonds);

21 (2) § 10–207(k) of this title (Relocation and assistance payments);

22 (3) § 10–207(m) of this title (State or local income tax refunds); [or]

23 (4) § 10–207(c–1) of this title (State tax exempt interest from mutual
24 funds); **OR**

25 **(5) § 10–207(Y) OF THIS TITLE (AMOUNTS RECEIVED FROM THE**
26 **STATE FOR AGRICULTURAL PRESERVATION PURPOSES).**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 July 1, 2010, and shall be applicable to all taxable years beginning after December 31,
29 2009.